

## EMPLOYER ADVISORY COMMITTEE

### MINUTES

March 21, 2002

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#### **DRS Members Present:**

Dave Nelsen, Chairperson.

#### **Additional DRS Staff Present:**

Steve Nelsen, Legal/Legislative Services; Gayle McGee, Public Employee's Retirement System; Rachel Nesse, Public Employee's Retirement System; Rose Bossio, Strategic Initiatives; Brad Andrews, Strategic Initiatives; Sally Nichols, Strategic Initiatives; Debbie Callar, Employer Support Services; Kim Smith, Employer Support Services.

#### **Employer Members Present:**

Les Adams, Kerry Schaefer and Cindy Lee, King County; Joanne Amrine, Chehalis School District; Tom Gaines, Washington School Information Processing Cooperative (WSIPC); John Goetz, Center for Information Services; Kimberly Holtz, Office of Financial Management; Chandra Horan, Becky Lee and Nancy Pooler, Port of Seattle; Debbie Meach, Human Resources Information Systems Division (HRISD); Michelle Mortimer, City of Olympia; Terry Schaefer, Kent School District; Nancy Savage and Shelley Foutz, Pierce County; Reagan Ulrich and Elizabeth Vasquez, Chelan County PUD 01; Jean Yeager and Jan Haran, Department of Agriculture.

#### **Employer Members Not Present:**

Margo Anderson, Highline Community College; Mary Christle, Educational Service District; Paulette Gilliam, University of Washington; Brigitte Hoopes, City of Kent; Pamm Scott, Bellevue Community College; Sally Spangler, Washington State Patrol.

#### **Agenda Items:**

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| • Legislative Update<br><i>Steve Nelsen</i>                  | • Other E-Services Brainstorming Session<br><i>Committee</i> |
| • PERS 3 Update<br><i>Gayle McGee</i>                        | • Open Discussion<br><i>Committee</i>                        |
| • Employer Satisfaction Survey Results<br><i>Dave Nelsen</i> | • Agenda Items for Next Meeting<br><i>Committee</i>          |
| • E-Payment Demo<br><i>Rose Bossio</i>                       |  |

**LEGISLATIVE UPDATE (Handout)**

Steve Nelsen passed out a handout called "Summary of Pension Bills Passed". The Department of Retirement will keep the legislative page on the Web site updated concerning pension legislation. The address is <http://www.wa.gov/DRS/leg/index.htm>. The following are some of the main bills that Steve discussed with the committee:

**April Contribution Rates**

The contribution rates would change based on the results of the recent actuarial experience study conducted by the Office of the State Actuary. DRS is required to give employers 30 days notice of the contribution rate changes and this bill doesn't include a waiver of that requirement. The rates are going down.

**Plan 3 Corrections**

PERS Plan 3 members who are seasonal workers or on military leave of absence during the employer's transfer window would now be able to have both the opportunity to transfer to PERS Plan 3 and to receive the additional transfer payment provided certain conditions are met. The House substitute bill changes the month that a member needs to earn service credit in order to qualify for the PERS 3 transfer payment from February 2003 to June 2002 for state agency and higher education employees. For employees of all other employers, the qualifying month is changed to either June 2002 or February 2003.

**PERS Plan 1 Vested Inactive Members**

PERS Plan 1 retirement age differs by five years depending on whether a member is active (age 60) or inactive (age 65) at the time of retirement. This bill will allow inactive members with at least 20 years of service who separate after reaching age 50 to retire at age 60 without a reduction in benefits.

Please call Dave Nelsen at (360) 664-7163 or 1-800-547-6657 ext. 47163 or Steve Nelsen at (360) 664-7308 if you have any questions.

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) 3 UPDATE**

Following are highlights of the PERS Plan 3 update:

**Phase I activities:**

- Phase I Plan 3 has been implemented
- Work continues around publications
- Distribution packet is being revised and is available through ICMA Web site
- Employer training has been completed
- Upcoming communications include a follow up account balance letter (members who have transferred will not receive an updated account balance letter) sent in May
- This follow up letter will include information on the legislative changes
- Video is in the process of being posted to the Web site

**Phase II activities:**

- Employers will be e-mailed information about training from May – August and training on e-services (sign up by Internet)
- Transfer packets and videos will be delivered to employers April 26
- In April, Stephanie Dutton will be contacting employers registering for the transfer seminars

- A survey was sent to employers who report electronically to determine the level of effort necessary to support testing of Plan 3 transmittal data
- Employers will be receiving posters and flyers May 1
- In July, employers will be receiving the choice packets and videos

### **EMPLOYER SATISFACTION SURVEY RESULTS**

The Employer Satisfaction Survey Results will be e-mailed to the Committee. Out of 1,600 surveys that were sent to employers, DRS received 570 back. The overall rating was 4.04 and the overall satisfaction is increasing over the years.

### **E-PAYMENT DEMO**

Rose Bossio gave an E-Payment demonstration, which is still in construction, to the Committee.

### **OTHER E-SERVICES BRAINSTORMING SESSION**

The following are ideas the Committee suggested as potential applications for the future:

- Credit redistribution via the Web
- Electronic copies of member annual statements sent to employers, rather than boxes of printed statements
- Employer account access
- Electronic edit message reports (DRS is in the process of creating an electronic edit message report)
- An application that allows you to plug in a social security number to show reported earnings for the last 24 months along with begin and end dates
- Encrypted FTP file
- Correction process in WBET should add up all transactions to the penny
- MSV suggestion is to be able to enter multiple social security numbers at one time, rather than only one at a time
- Include more information on retirees in MSV, such as post retirement information

### **OPEN DISCUSSION**

There were no issues or concerns that were raised at the meeting.

### **The Next Meeting**

The next EAC meeting is scheduled for June 27, 2002, from 9:30 a.m. to 12 p.m., at the DRS Point Plaza West building located at 6835 Capitol Boulevard in Tumwater. Please see the map to DRS on the EAC Web site for directions to the facility.

### **Proposed Agenda Items for the June 27, 2002, Meeting**

- Demonstration on the Web-based correction process

A confirmed agenda will be available on the Employer Advisory Committee Web site in early June 2002.

### **Parking for the meetings**

There are visitor's parking spaces located in front of the building. You may also park in any stall that is not marked for another agency such as DSHS or OFM.

**Questions**

If you have any questions, please contact Dave Nelsen at (360) 664-7163, 1-800-547-6657 ext. 47163 or by e-mail at **daven@drs.wa.gov**.